

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

MILLENNIUM TELECARD, INC., et al.,

Defendants.

Civil Action No.: 11-2479(JLL)(MAH)

**CERTIFICATION OF
COURT APPOINTED MONITOR
NICHOLAS R. AMATO, ESQ.
IN SUPPORT OF HIS REQUEST FOR
FEES, COSTS and PAYMENT OF
PROFESSIONAL FEES**

NICHOLAS R. AMATO, of full age certifies as follows:

1. I am a an attorney at law, admitted to practice in the State of New Jersey, and am Of Counsel to the law firm of Genova, Burns & Giantomasi (“GBG”). On May 2, 2011, I was appointed as the Receiver for Millennium Telecard, Inc., and its affiliated entities (collectively “MTC”) in this matter. On August 16, 2011, per the Court’s Preliminary Injunction Order the role of the Court appointed Receiver was converted into that of a Monitor As such, and in carrying out my duties and authority as the Court appointed Receiver and subsequently as the Court appointed Monitor, I have personal knowledge of the facts herein.

2. My qualifications and hourly rate for professional services are set forth in my August 5, 2011 Certification, which I incorporate by reference herein.

3. Following my appointment as Receiver, it was clear the execution of my duties would require me to retain accountants/financial advisors and legal counsel.

4. As explained in my September 15, 2011 Certification [Docket Entry No.: 53-4], which I incorporate by reference herein, after the Court entered its Preliminary Injunction Order, it became apparent that I—as the Court appointed Monitor—would require continued professional

assistance from financial advisors and legal counsel. Accordingly, as explained further in my September 15, 2011 Certification, ¶¶ 6-8, I continued the retention of DeFalco & Company as financial advisors and accountants to the Monitor, and GBG as legal counsel to the Monitor. Both DeFalco & Company and GBG were retained pursuant to their regular rates for professional services.

5. As set forth in my August 5, 2011, September 15, 2011, October 12, 2011, and November 15, 2011 Certifications, I have reconfirmed that neither DeFalco & Company nor GBG had any conflict that prohibited them from assisting the Receiver in satisfying his obligations.

6. Both DeFalco & Company and GBG have provided me with periodic invoices of the professional services they provided to me both as Monitor. I have reviewed the invoices, and in my business judgment, the fees charged are commensurate with the services provided to both the Receiver and Monitor. I have enclosed certifications from DeFalco & Company and GBG with my Third Report of Court Appointed Monitor submitted to the Court, outlining their fees.

7. Both DeFalco & Company and GBG continue to provide the Monitor with professional services in this matter, and I anticipate receiving additional invoices from them as this litigation continues or winds down.

8. In fulfilling my duties and obligations initially as Monitor, I kept a log of the hours dedicated to managing MTC and its operations and business affairs, as well as my other obligations, pursuant the August 16, 2011 Preliminary Injunction Order. By employing GBG's billing system, I kept track of this time, separate and apart from the professional services rendered to the Receiver and Monitor by GBG.

9. From November 1, 2011 through November 30, 2011, I have provided a total of 18.80 hours to MTC as its Monitor. At my rate of \$450.00 per hour, this translates into a total of \$ 8,460.00.

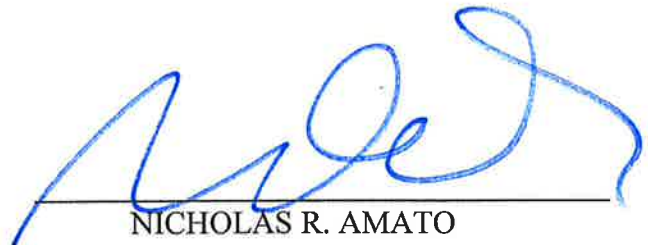
10. Attached hereto at Exhibit 1 is a true and correct copy of an invoice related to my activities as Monitor of MTC for November 2011.

11. With the filing of my Fourth Monitor's Report and the accompanying Certifications and Declarations, I respectfully request that the Court authorize payment to DeFalco & Company and GBG for professional services provided to the Monitor.

12. I also respectfully request that the Court approve payment of my professional fees for serving as Monitor, as more particularly set forth in the invoices attached hereto at Exhibit 1.

13. As such, I respectfully request that the Court approve an aggregate payment for the sum total of \$8,460.00.

I declare under penalty of perjury that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



NICHOLAS R. AMATO

Dated: December 15, 2011

GENOVA, BURNS & GIANTOMASI
494 Broad Street
Newark, New Jersey 07102
Telephone (973) 533-0777
Tax ID# 22-2940404

Nicholas Amato
c/o Genova Burns & Giantomasi
494 Broad Street
Newark NJ 07102

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PROFESSIONAL SERVICES RENDERED

Hours

11/01/2011

NRA Receipt and review email from DeFalco & Co. enclosing invoices for services for MTC and Fadi Salim for the month of October 2011; email from J. Zabaneh, office manager, requesting Monitor to send demand letter for payment to MTC customer regarding past due account and forwarding same to LB; emails from LB regarding factual background regarding claim against customer for unpaid invoices; telephone conference with Joseph Goldberg, Esq., attorney for Call X Communications (Call X) to advise that will call him in approximately two weeks to discuss Call X claim against MTC; telephone conference with J. Zabaneh regarding providing additional information with reference to MTC claim against customer for non-payment and forwarding same via email to LB.

0.70

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Hours

11/02/2011

NRA Receipt of draft letter from LB, on behalf of the Monitor to customer of MTC, demanding payment of outstanding invoices due MTC; review of same and forwarding comments to LB; conference with LB and execution of letter to Talk TC, a MTC customer; email from J. Zabaneh, office manager, MTC advising that following letter to customer, balance paid in full; multiple emails from J. Zabaneh enclosing customers who have outstanding balances due MTC and requesting that Monitor send letters demanding payment; forwarding customers and outstanding invoices to LB; conference with LB regarding cause of action including litigation, if warranted; telephone conference with M. Marotte, Esq. attorney for MTC regarding same; Marotte to speak with Fadi Salim.

0.50

11/03/2011

NRA Telephone conference with N. Visaggio, DeFalco & Co.; multiple emails with L. DeFalco regarding MTC compliance with Section IV of Preliminary Injunction of 8/16/11; follow-up discussions with N. Visaggio, DeFalco & Co. regarding family friend loaning \$900,000 to Fadi Salim; Salim depositing funds into MTC Operating Agreement to pay vendors and notification that MTC wrote check in excess of \$50,000 without providing Monitor for proper notice per terms of the Preliminary Injunction; telephone conference with Fadi Salim requesting contact information concerning individual who loaned Salim \$900,000; receipt of email from J. Zabaneh operations manager providing contact information for lender.

0.90

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Hours

11/04/2011

NRA Emails from J. LaRosa, Esq. attorney for MTC inquiring if Monitor will transfer funds from Fadi Salim's safe deposit box and his E*Trade account, MTC operating account to SPS&K Trustee account to be in compliance with proposed final Settlement Order; further inquiry as to whether in view of language in Preliminary Injunction a Court Order is required or can same be accompanied without Court Order; email to J. LaRosa, Esq. advising that Monitor is of opinion an amendment to the Preliminary Injunction of 8/16/11 would be required to transfer funds; telephone conference with Robert Anguizola, Esq. attorney for FTC regarding transfer of funds, Mr. Anguizola, Esq. also of opinion that an Order Amending the Preliminary Injunction is required and agreement on behalf of FTC to sign a Consent Order and notifying J. LaRosa of same; multiple follow up conversations with Fadi Salim regarding withdrawal of funds from safety deposit box, E*Trade account to SPS&K Trustee account; telephone conference with LB regarding Preliminary Injunction Order as relates to the transfer of funds from Mr. Salim's frozen assets and notice to FTC regarding same; telephone conferences with J. LaRosa, Esq. attorney for MTC and Fadi Salim regarding transfer of funds and necessity of amendment to Preliminary Injunction; telephone conference with Robert Anguizola, Esq. and Kati Daffan attorneys for FTC regarding Consent Order; telephone conference with Fadi Salim regarding the lender who loaned \$900,000 to Mr. Salim and requesting contact information; telephone conference

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Hours

with lender and scheduling appointment to
discuss terms and conditions of loan.

1.40

11/07/2011

NRA Receipt and review of draft Consent Order from LB making comments and revisions and forwarding to LB; telephone conference with J. LaRosa regarding information concerning lender who loaned Fadi Salim \$900,000; receipt and review of email from Fadi Salim to Sarah Funk of Trilogy International setting forth terms and conditions regarding payment on MTC past due accounts and proposal regarding sale of Trilogy's new product; email from Fadi Salim agreeing to terms and requesting confirmation.

0.80

11/08/2011

NRA Telephone conference with Nick Visaggio, DeFalco & Company regarding financial status of MTC; follow-up conversation with L. DeFalco regarding \$900,000 loan to Fadi Salim; receipt and review of email L. DeFalco providing financial analysis of MTC for month of October, including check in excess of \$50,000 without prior notice to Monitor and need for the \$900,000 infusion of funds to MTC; conference with LB in anticipation of later meeting with lender regarding \$900,000 loan to Fadi Salim; conference with individual regarding his personal \$900,000 loan to Fadi Salim and meeting with individual and Fadi Salim; receipt and review of draft of third Monitor's report from LB; receipt and review of follow-up email from L. DeFalco regarding importance and need of \$900,000 loan.

2.40

NRA Receipt and review of revised second

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Hours

Consent Order and letter to Court
incorporating changes recommended by
Monitor; conference with LB to discuss
revisions to Consent Order and letter to
the Court.

1.60

11/10/2011

NRA Receipt and review of electronic filing
with Court, advising that telephone
conference scheduled with the parties and
Magistrate Judge Hammer for 1/9/12 has
been changed to 12:30 p.m.; receipt and
review of proposed second Consent Order
from LB; making revisions and comment to
both documents and forwarding to LB;
email from J. Zabaneh, office manager MTC
providing address of lockbox; receipt and
review of proposed second Consent Order
and letter to Court from LB; email from
J. Zabaneh regarding summary of customer
who owes MTC for past due account;
forward information to LB; receipt and
review of draft Monitor's third report;
making additional revisions and
forwarding same to LB; receipt, review of
invoice from DeFalco & Co. and forwarding
same to LB for inclusion in Monitor's
third report; telephone conference and
confirming email from M. Marotte, Esq.,
attorney to MTC advising status of
pending litigation with MTC; receipt and
review and execution of letter to
customer regarding payment of past due
invoices; receipt and review of email
from LB to attorneys' for FTC and MTC
attaching proposed second modification of
Consent Order; telephone conferences with
Robert Anguizola and Kati Daffan,
attorneys for FTC, regarding proposed
second amendment to Consent Order; email
from J. LaRosa, Esq., attorney for MTC

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Hours

requesting further clarification of
language in proposed second Consent
Order; receipt and review of proposed
Monitor's third report.

1.80

11/11/2011

NRA Receipt and review of third Monitor's
report incorporating revisions together
with certifications; receipt and review
of email from J. Zabaneh requesting
Monitor to write letter to MTC customers,
delinquent in payments and forwarding
same to LB providing additional
information regarding third Monitor's
report and attached certifications and
forwarding same to LB; review of report
of services from L. DeFalco and telephone
conference with L. DeFalco regarding
same; receipt and review of emails from
J. Zabaneh attaching customers with
delinquent accounts and requesting
Monitor to send delinquency letter;
forwarding same to LB; review of
delinquency letter to customers regarding
over due accounts; receipt and review of
email from Nick Visaggio, DeFalco &
Company enclosing MTC financial report as
of 11/11/11 regarding MTC consisting of
cash analysis, quick book account,
operations account activity; telephone
conference with Nick Visaggio regarding
report; telephone conference with L.
DeFalco regarding report of 11/11,
receipt of same together with financial
report for MTC as of 10/31/11, including
cash analysis quick book report with
copies of bank checks indicating \$900,000
loan to Fadi Salim to MTC and
disbursements which was deposited into
MTC operating agreement forwarding L.
DeFalco's revised report to LB for

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incorporation into third Monitor report.

Hours
1.50

11/14/2011

NRA Forwarding email to J. LaRosa, Esq., attorney for MTC inquiring if he heard from FTC counsel regarding his request for revisions of proposed second Consent Order; receipt of email from J. LaRosa advising that FTC counsel has no objection to MTC revision; receipt and review of modification to third Monitor's report from RDP; receipt and review of email from Kati Daffan, Esq., attorney for FTC, enclosing redlined and revised version of proposed second Consent Order; advising LB to forward to parties counsel for Consent; multiple conferences and emails with MK regarding filing of Complaint against MTC customer for delinquent account; receipt and review of draft Complaint from MK on behalf of Monitor against MTC customer; telephone conference with LB and conference with LB and MK regarding collection lawsuit confirming email to Robert Anguizola, Esq. and Kati Daffan, Esq., counsel to MTC that FTC has no objection to clarification language proposed by J. LaRosa, Esq.; receipt and review of proposed second Consent Order together with redlined version to denote changes and forwarding same to LB with revisions and requesting same be forwarded to counsel for execution; receipt and review of third Monitor's report together with Monitor's certification for review and execution together with certification of L. DeFalco; receipt of executed second Consent Order of J. LaRosa, Esq. on behalf of MTC and Robert Anguizola, Esq. on behalf of FTC; receipt and review of

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Hours

Monitor's third report and certifications
of Monitor, L. DeFalco and KBE on behalf
of GBG.

0.80

11/15/2011

NRA Receipt of notification of electronic filing of second Consent Order with covering letter from the Monitor; receipt of email between J. Zabaneh, operations manager MTC and J. Medina of AURIS regarding disputed balance AURIS claims is owed by MTC; telephone conference with Fadi Salim regarding ability to rent investment properties which are subject to a lien for payment of proposed monetary judgment per final Order of Settlement; receipt of notification of electronic filing of Monitor's third report; review of proposed final Order of Settlement and Money Judgment regarding ability Fadi Salim to lease investment properties; receipt and review second Consent Order executed by Robert Anguizola, Esq., attorney for FTC and J. LaRosa, Esq., attorney for MTC; receipt and review notification of electronic filing of Second Consent Order with covering letter to the Court; receipt of email directed to J. Medina of AURIS regarding ongoing disputed balanced owed AURIS by MTC; conference with with MK review of Complaint filed by Monitor on behalf of MTC customer supporting revision; receipt and review of revised Complaint; telephone conference with Fadi Salim regarding his ability to rent investment property which is to be security for payment of monetary Judgment per proposed final Order if Settlement.

0.60

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11/16/2011

NRA Review of Section III Monetary Relief of proposed final Order of Settlement and Monetary Judgment together with Section VIII, Asset Monitoring and Preservation paragraphs A, C and D regarding Salim's ability to lease investment properties; multiple emails with LB regarding same; email from J. LaRosa, Esq., attorney for MTC regarding Monitor's approval of SPS&K fees for professional services (August - September 2011); telephone conference with Robert Anguizola, Esq. and Kati Daffan, Esq. regarding ability of Fadi Salim to lease investment property and whether modification of proposed final Order of Settlement and Monetary Judgment is required; receipt and review of multiple emails between J. Zabaneh, office manager of MTC and account executives of Bank of America regarding overdrafts for Coleccion Latina account; conference with FJG regarding leasing of investment properties by Fadi Salim.

2.60

11/17/2011

NRA Multiple telephone conferences with J. Zabaneh office manager MTC and MK to gather information regarding filing Complaint against customer who is delinquent on his account.

0.40

11/18/2011

NRA Review of multiple emails between J. Zabaneh, office manager of MTC and account executives of Bank of America regarding Coleccion Latina Inc. overdrafts; receipt and review of electronic notification that Court signed second Consent Order; receipt and review of copies of three checks indicating

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payment given as partial payment by customer regarding outstanding arrearages and forwarding same to MK and LB; email from Arthur Russell attorney for Nobel Tel advising that settlement payment is due on 11/21/11 and forwarding same to J. Zabaneh; receipt and review of email from Nick Visaggio, DeFalco & Co. enclosing: MTC cash analysis as of 11/18/11, MTC account quick book report as of 11/18/11; complete analysis of business checking account; activity Bank of America and advising that due to J. Zabaneh, office manager, being on vacation and the holiday week he will return to do cash analysis for period of 11/19 to 11/30 on December 1.

0.40

11/21/2011

NRA Receipt and review of email from J. Zabaneh, office manager MTC regarding on going issue with Bank of America as relates to Coleccion Latina Inc.; email J. LaRosa, Esq. regarding transfer of funds from lockbox to SPS&K trustee account and attaching copy of Court Order allowing transfer; email to J. LaRosa, attorney for MTC advising that will contact him tomorrow regarding transfer of funds.

0.20

11/22/2011

NRA Email to J. LaRosa, Esq. advising of call into Robert Anguizola, Esq., attorney for FTC regarding FTC suggestion and/or concerns regarding transfer of funds from lockbox to SPS&K trustee account; telephone conference with Robert Anguizola and Kati Daffan regarding transfer funds from lockbox at Provident Bank to SPS&K trustee account; receipt of

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letter from Kati Daffan, Esq., attorney for FTC to Monitor that notwithstanding language as set forth in Section VIII of Preliminary Injunction Order of the Second Consent Order modifies terms of Preliminary Injunction and therefore it is not necessary for counsel for the FTC to be present regarding removal of funds from lockbox.

0.60

11/23/2011

NRA Email to J. LaRosa, Esq., attorney for MTC summarizing conversation for Robert Anguizola, Esq. and Kati Daffan, Esq., attorney for FTC, attaching copy of letter from FTC to Monitor confirming FTC position; telephone message from Arthur Russell, Esq., attorney for NobelTel advising that if payment not received he will send letter of default; email to Arthur Russell to advise that office manager for MTC on vacation requesting that he refrain from sending letter until I speak with Mr. Salim; email to Arthur Russell to advise that I spoke with Mr. Salim and check is being mailed; telephone conference with Kati Daffan, Esq., attorney for FTC requesting modification of letter to Monitor regarding funds in lockbox; multiple emails from Bank of America; insufficient funds MTC business checking account.

0.40

11/28/2011

NRA Email from J. LaRosa, Esq., attorney for MTC regarding arrangement for transfer of monies from lockbox at Provident Bank to SPS&K trustee account and E*Trade financial account; email to J. LaRosa, Esq. requesting that he contact Monitor to discuss; telephone conference with J.

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Hours

LaRosa regarding transfer of funds and
attaching SPS&K wiring instruction. 0.10

11/29/2011

NRA Telephone conference with Fadi Salim
regarding transfer of funds from lockbox
to SPS&K trustee account and business
issues regarding MTC; telephone
conference with J. Zabaneh regarding
transfer of funds; telephone conference
with L. DeFalco regarding business issues
with MTC more particularly regarding
accounts receivables. 0.30

11/30/2011

NRA Telephone conference with J. Zabaneh,
office manager, MTC regarding transfer of
funds from lockbox to SPS&K trustee
account; email from J. Zabaneh advising
of name and contact information for L.
Gleason, First VP & Assoc. General
Counsel, Provident Bank; telephone
conference with Mr. Gleason regarding
same and forwarding necessary documents;
(modification of Preliminary Injunction
Order; letter from FTC counsel to
Monitor; wiring instructions); telephone
conference with L. DeFalco regarding
MTC's financial situation; telephone
conferences with Fadi Salim regarding
accounts payable; telephone conference
with J. LaRosa regarding meetings and
develop plan to collect accounts
receivable; telephone conference from
Joseph Goldberg, Esq. regarding Call X v.
MTC; email from J. Gleason, Assoc.
General Counsel Provident Bank, advising
that documents received are acceptable to
the bank and will advise as to wiring
procedure; email from N. Visaggio list of
account receivables and review of same. 0.80

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	<u>Hours</u>	<u></u>
FOR CURRENT SERVICES RENDERED	18.80	8,460.00
Recapitulation		
<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>
Nicholas R. Amato	18.80	\$450.00
		<u>Total</u>
		\$8,460.00
TOTAL AMOUNT OF THIS BILL		8,460.00
PREVIOUS BALANCE		\$7,088.90
BALANCE DUE		<u>\$15,548.90</u>

Aged Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
15,548.90	0.00	0.00	0.00	0.00	0.00

PLEASE INDICATE CLIENT NUMBER ON YOUR CHECK